

FISCAL NOTE

SB 2759

February 21, 2006

SUMMARY OF BILL: Excludes any member of the General Assembly or Governor (including their dependents) from receiving group health insurance benefits, unless they pay 100% of the total premium cost of participation, when such member or Governor is convicted in any state or federal court of any felony arising out of that official's employment or official capacity, constituting malfeasance in office.

ESTIMATED FISCAL IMPACT:


Other Fiscal Impact – To the extent one member of the General Assembly or a Governor is convicted of a felony, and this individual is of average age, with an average life expectancy, state expenditures could decrease by an amount estimated to exceed \$500,000 over the individual's remaining life (an average of at least \$20,000 per year for 25 years).

Assumptions:

- All rights, privileges, and benefits would be restored if the conviction is later overturned in any court and such member is acquitted, or a full pardon has been granted.
- If provisions of this act are declared to be invalid by a court of competent jurisdiction and such determination has become final, then the former provisions shall be revived.
- Average age for members of the General Assembly is fifty-five (55).
- Life expectancy for members of the General Assembly is eighty (80) years.
- Annual premium for group health insurance for family coverage in 2006 is approximately \$9,600.00 (premium approximately \$800.00 per month).
- Six percent (6%) annual growth in premium levels.
- The future value of monthly insurance premiums paid by the state over a twenty-five year period, assuming 6% annual growth, would be approximately \$554,400.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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